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ABSTRACT

The present study investigated factors influencing the decision of employees, who, faced with a facility relocation, either relocated to a new location or lost their current jobs. A large chemical company decided to close a research and development laboratory located in New England and to transfer employees to a laboratory located in the southwest. As such, this study investigated a facility relocation which led to a lateral transfer with relocation. Questionnaires were mailed to 81 employees after they made the decision, with 66 employees (81%) returning useable questionnaires; 47 had rejected the transfer offer. Results indicated that community tenure, perceptions of new job, and the perceived inconvenience of moving were important influences on the relocation decision. In addition employees with non-working spouses, more positive perceptions on the new location, and greater job involvement were more likely to relocate. Contrary to expectations, neither employee demographics nor the number of children was related to the decision. The study had certain limitations: data were collected after employees had made the relocation decision; the small sample size limits the power to detect true relationships; and the subjects were highly educated professionals. Nonetheless, the study provides further insight into factors that influence relocation decisions.
(ABL)

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An Investigation of Factors Influencing a Relocation Decision

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An Investigation of Factors Influencing a Relocation Decision

Abstract

The present study investigated factors influencing the decision of employees who, faced with a facility relocation, either relocated to a new location or lost their current jobs. Questionnaires were mailed to employees after they made the decision. Results indicated that community tenure, perceptions of the new job, and the perceived inconvenience of moving were important influences on the relocation decision. In addition, employees with non-working spouses, more positive perceptions on the new location and greater job involvement were more likely to relocate. While the results provide further evidence concerning factors which influence relocation decisions, areas for future research were noted.

The present study investigated factors influencing employees' decisions either to accept a job transfer involving relocation or to discontinue working for the organization. A large chemical company decided to close a research and development laboratory located in New England and to transfer employees to a laboratory located in the southwest. As such, this study investigates a facility relocation which led to a lateral transfer with relocation. Past research investigating factors influencing relocation decisions predominantly has measured willingness to relocate rather than the actual relocation decision (Gould & Penley, 1985; Noe, Steffy, & Barber, 1988; Swanson, Luloff, & Warland, 1979). However, willingness to relocate does not include the costs associated with the actual relocation decision. For example, employees indicating a willingness to relocate do not have to explain that decision to the spouse and children, although the actual decision to move might include such costs. This study extends earlier research by (1) investigating influences on actual relocation decisions, and (2) collecting data from employees of one organization. Employees indicated which factors influenced their relocation decision. In addition, the influences of demographic characteristics, community ties, perceptions of the new job and location, employee attitudes toward work and toward moving, and perceptions of the company's relocation policies on the relocation decision were investigated.

Demographic Characteristics. The relocation decision is thought to be influenced by demographic characteristics of the employees. For example, age was negatively related to willingness to relocate (Gould & Penley, 1985; Noe et al., 1988; Sell, 1983; Swanson et al., 1979) although one study found no such relationship between age and willingness to relocate or the actual relocation decision (Brett & Reilly, 1988). Results also are mixed concerning the influence of job tenure. Noe et al. (1988) found that company tenure was

negatively related to willingness to relocate, although Gould and Penley (1985) found no such relationship between these variables. Finally, no study was found that investigated whether the sex of the employee influences the relocation decision. However, because more women are being asked to transfer (Maynard & Zawacki, 1979) this is an important question.

Community Ties. The employee's community ties are thought to influence the relocation decision (Viega, 1983). Indicators of community ties are community tenure, the spouse's employment status, the number of children living at home, and perceptions of how well the family will adjust to the move. Employee community tenure was negatively related to willingness to relocate (Gould & Penley, 1985; Noe et al., 1988; Swanson et al., 1979), although no study was found that investigated the effects of community tenure on the actual decision. There is conflicting evidence concerning the impact of the employee's spouse on the relocation decision. Brett and Reilly (1988) found that employees with working spouses were less likely to accept a transfer, whereas Gould & Penley (1985) found that employees were more willing to relocate when their spouses were working. One explanation for these discrepant findings is that Gould and Penley (1985) measured willingness to move whereas Brett and Reilly (1988) obtained the actual transfer decision. The present study hypothesizes that the employees with working spouses will be less likely to relocate.

An employee's relocation decision is thought to be influenced by perceptions of how easily the family will adjust to the new location (Viega, 1983). For example, pre-school children are thought to adjust to a new location more easily than high school teenagers. Nonetheless, neither the number, nor the ages, of children living at home were related to relocation decisions (Gould & Penley, 1985; Brett & Reilly, 1988). One explanation for

these counter-intuitive results is that the measure of the number, or ages, of children in the family does not adequately measure the children's expected adjustment to the new location. Therefore, the current study extends earlier research by investigating the relationship between the relocation decision and the employee's perception of how well the spouse and children will adjust to the new location as well as the number of children living at home.

Perceptions of the New Job. Perceptions of the new job are thought to influence the relocation decision (Noe et al. 1988; Brett & Reilly, 1988), although no study was found that investigated this relationship. It is expected that employees will relocate when the perceptions of the new job are more positive than perceptions of other jobs.

Perceptions of the New Location. Similarly, no study was found that investigated the perceptions of the new location on the relocation decision, although Carruthers and Pinder (1983) argued that such research is important. Further, Pinder (1977) found that post-transfer satisfaction was influenced by the location. Therefore, it seems likely that perceptions of the new location are positively related to the relocation decision.

Employee Attitudes toward Work. The employee's attitudes towards the job and the company are thought to influence the relocation decision (Brett & Reilly, 1988; Gould & Penley, 1985; Noe et al, 1989). Gould and Penley (1985) found that employees with greater job involvement were less willing to accept a job transfer. In the present study, however, employees with greater job involvement are expected to accept the job transfer because employees who transfer will have a similar job. Further, it is expected that employees with greater organizational commitment are more likely to accept the transfer because of the greater attachment to the organization (Brett & Reilly, 1988).

Employee Attitude toward Moving. The present study will attempt to

replicate an earlier finding that the employee's attitudes towards the move influenced the relocation decision (Brett & Reilly, 1988).

Perceptions of the Company's Relocation Policies. Finally, this study extends earlier research by investigating whether employee perceptions of the company's relocation policy influenced the decision.

Method

Procedure

After the relocation decision was made, questionnaires were mailed to 81 employees who had been offered similar positions in the laboratory in the southwest. Participants were assured confidentiality and asked to return the questionnaires to the university. To thank participants for their time and effort, ten dollars were included with the questionnaire.

Subjects

The subjects were 66 employees (81% response rate) who returned usable questionnaires; 47 of those subjects rejected the transfer offer. The subjects were predominantly white (89%), male (86%), and married (86%), with an average of 1.2 children. The average age was approximately 43 years. Subjects had lived in the New England area on the average 28 years, and had worked at the particular laboratory for an average of 13.5 years. Approximately 36% of the subjects had a Ph.D., 19% a Masters degree, and 31% a Bachelor degree.

Measures

Transfer Decision Influences. Employees rated how influential certain factors (employees rated between 15 and 18 items depending on their relocation decision) were in their decision to accept (or reject) the job relocation. The items dealt with spouse and family considerations; the type of work employees would do; the new location; future co-workers; job security;

financial considerations; and the desire to stay in New England.

Demographic Characteristics. Subjects provided their ages and sex and listed the number of years they had worked at the laboratory.

Community Ties. Employees indicated the number of years they lived in the area, whether their spouse worked, and the number of children living at home. Employees also indicated their agreement (6-point scales) with three items measuring the family's adjustment to the move (see Table 1).

Perceptions of the Job. Six items measuring intrinsic job characteristics asked employees to compare the relocation job with other job offers they received or expected to receive on 5-point scales ranging from 1-much poorer to 5-much better (see Table 1).

Perceptions of the Location. Employees indicated the extent to which they agreed with 2 items describing the location of the new job (see Table 1).

Employee Attitudes toward the Work. Job involvement was measured with a 6-item scale adapted from Lodahl and Kejner (1965) (see Table 1). Organizational commitment was measured with 8 items adapted from Mowday, Steers, & Porter (1979) (see Table 1).

Employee Attitude toward Move. One item measured the employee's attitude about moving (see Table 1).

Perceptions of the Company's Relocation Policy. Two items measured perceptions of the company's relocation policy (see Table 1).

Analyses and Results

Table 2 presents the mean ratings of the most influential reasons reported by employees who accepted and rejected the relocation. The most influential reasons for accepting the relocation included the type of work, the spouse's attitude and family considerations. Employees rejected the relocation offer because of the geographic area of the new job, family

considerations and the desire to stay in New England. Multivariate analyses of variance indicated significant differences in the mean ratings of the reasons employees accepted or rejected the relocation offer $F(8, 46) = 11.70$, $p \leq .0001$. Specifically, type of work, financial considerations, and opportunities for advancement were more important to employees who accepted the relocation, whereas the items concerning the location were more important to applicants who rejected the relocation offer. Family considerations was important to employees who both accepted and rejected the relocation offer.

Table 3 presents the correlations of the relocation decision with the independent variables. None of the demographic characteristics were related to the relocation decision. However, community ties were related to the relocation decision such that employees were less likely to relocate the longer they had lived in community, if they had a working spouse, if they felt less encouragement from the family to move, and felt that the move provided few career opportunities for the spouse. Neither the number of children nor the perceptions of the children's adjustment to the move were related to the decision. In addition, employees with more positive perceptions of the new job and of the new location were more likely to accept the relocation offer. Concerning employee attitudes toward work, job involvement was positively related to the relocation decision although no such relationship was found for organizational commitment. Finally, employees were more likely to relocate when they had a more positive attitude towards moving.

There is little theory to suggest the relative importance of the independent variables in predicting the relocation decision. Therefore, a series of hierarchical regression analyses investigated the relative predictive power of the variables that were significantly correlated with the decision. These analyses were conducted to determine the fewest variables

necessary to explain the relocation decision. The independent variables were entered into the regression equation in sets that measured underlying constructs (e.g., community ties, etc.). Only variables that explained unique variance in the relocation decision were retained for subsequent analyses. Results indicated that community tenure, perceptions of the job, and attitude toward moving each added unique variance in explaining the relocation decision (see Table 4). These three variables explained 34% of the variance in the relocation decision; no other variable added additional explanatory variance in the relocation decision.

Discussion

The present study investigated factors influencing employees' decisions to accept a job transfer with relocation or to lose their jobs. Employees reported the most influential reason for accepting the relocation offer was the type of work. In contrast, the most influential reason for rejecting the job offer was the geographic area of the job. The relocation decision was correlated with the employee's community ties, perceptions of the new job and location, and employee attitudes toward work and moving. Finally, regression analyses suggested that the most important factors in the relocation decision were the employee's community tenure, perceptions of the new job, and attitude toward moving.

No relationship was found between the relocation decision and any of the employee demographics. The finding that age and job tenure were not related to the relocation decision supports Brett and Reilly's (1988) findings, although other research has found these variables were related to willingness to relocate (Gould & Penley, 1985; Noe et al., 1988). Similarly, sex was not significantly related to the relocation decision, although there was a trend for men to be more likely to transfer than women. However, the small number

of women in this sample limited the power to reject a false null hypothesis. Future research is needed to investigate whether, and how, demographic characteristics influence the relocation decision.

The employee's community ties strongly influenced the relocation decision. Employee community tenure was negatively related to the relocation decision and explained unique variance in predicting the decision in the regression analyses. In addition, employees with a working spouse, and employees who thought the move provided fewer career opportunities for the spouse were less likely to relocate. The employee's family influenced the relocation decision, although there were no effects for the number of children. As indicated by the mean ratings, family considerations were influential in the decision to accept and reject the relocation offer. Further, employees who indicated that the family encouraged them to move were more likely to relocate. However, neither the number of children or the children's expected adjustment to the move were related to the relocation decision. Such results suggest that children, or perceived adjustment of children, may not be important determinants of the relocation decision. Future research is necessary to clarify how the employee's family influences the relocation decision.

Employees with more positive perceptions of the new job were more likely to relocate. Employee perceptions of the job was one of the strongest predictors of the relocation decision, as indicated by the size of the correlation and the finding that this variable added unique variance in the regression analyses. Employee perceptions of the new location were also significantly correlated with the relocation decision; however, these perceptions did not add unique variance in predicting the relocation decision. Nonetheless, this suggests that location is an important factor in the

transfer of employees and should be considered in future transfer research.

The results are mixed concerning the influences of the employees attitudes toward work on the relocation decision. Job involvement was positively correlated with the relocation decision, whereas organizational commitment was not. Such findings suggest that an employee's attitudes toward work may be somewhat influential in the relocation decision, although further research is needed.

Finally, employees who felt that moving was a major inconvenience were less likely to relocate. Further, the regression analyses indicated that this item explained unique variance in the relocation decision. This suggest that organizations may increase the number of employees who will relocate by minimizing the problems associated with moving.

In sum, results suggested that the employee's community tenure, perceptions of the new job, and attitude towards moving were important predictors of the relocation decision. Other influences on the relocation decision were the spouse's employment status and career opportunities, family considerations, perceptions of the new location, job involvement, and attitudes towards moving. Contrary to expectations, neither employee demographics nor the number of children were related to the decision. As with any research, this study has certain limitations: data were collected after employees made the relocation decision; the small sample size limits the power to detect true relationships; and the subjects were highly educated professionals, therefore the generalizability of the results can be questioned. Nonetheless, this study provides further insight into factors that influence relocation decisions.

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Table 1

Items used to Measure the ConstructsCommunity Ties: Perceptions of Family's Adjustment to the Move (single items)

My family encouraged me to accept the (new) job.

Moving provides excellent career opportunities for my spouse.

My children would adjust easily to the move.

Perceptions of the Job (6 items, $\alpha = .94$)

Opportunities for challenging work.

Opportunity to do a number of different things.

Opportunities for new learning experiences.

Opportunities to use new technology.

Freedom to do pretty much what I want on my job.

High responsibility

Perceptions of the Location (2 items, $\alpha = .79$)

(The location) is a great place to live.

The (location) culture is unattractive (reversed).

Job Involvement (6 items, $\alpha = .83$)

The major satisfaction in my life comes from my job.

The most important things that happen to me involve my work.

I'm really a perfectionist about my work.

I live, eat, and breathe my job.

I am very involved personally in my work.

Most things in life are more important than work (reversed).

Organizational Commitment (8 items, alpha = .87)

I put in my more effort than normally expected to help (company) be successful.
I tell my friends that (company) is a great organization to work for.
I would accept almost any job assignment in order to keep working for (company).
My values and (company's) values are very similar.
I am proud to tell others that I am part of (company).
(Company) really inspires the very best in me in terms of my job performance.
I really care about the fate of (company).
(Company) is the best of all possible organizations to work for.

Attitude toward Move (1 item)

Moving is a major inconvenience.

Perceptions of the Company's Relocation Policy (2 items, alpha = .61)

(Company's) relocation policy is excellent.
People at the (new) location were very helpful.

Table 2

Most Influential Reasons for the Relocation Decision: By Decision

Item	Accepted Relocation	Rejected Relocation
	Mean	Mean
Five Most Influential Items for the Accepted Relocation Group		
Type of work you would do*	5.0	2.8
Spouse's attitude toward the move	4.7	3.8
Family considerations	4.3	4.8
Financial considerations*	4.1	3.0
Opportunities for advancement*	4.1	3.0
Five Most Influential Items for the Rejected Relocation Group		
Geographic area where job is located*	2.0	4.8
Family considerations	4.3	4.8
Desire to stay in New England	^a	4.6
Geography/climate of the area*	2.2	4.5
Quality of life in (new location)*	2.4	3.9

^aEmployees who accepted the relocation offer were not asked this item.

Note. Respondents indicated "how INFLUENTIAL were each of the following in your decision to accept (reject) the (company) job relocation?" on a 6-point scale from 1-"not at all influential" to 6-"very influential". *N* ranged from 18 to 19 for the accept group and from 43 to 45 for the reject group.

**p* ≤ .10

***p* ≤ .05

****p* ≤ .01

Table 3

Correlations of Relocation Decision with the Independent Variables

Independent Variable	Correlation with Decision ^a
Demographic Characteristics	
Age	-.01
Job Tenure	-.04
Sex (0 = female, 1 = male)	-.16
Community Ties	
Community Tenure	-.36***
Spouse Employed	-.30**
Number of Children	.20
Family encouragement to move (1 item)	.25*
Career opportunities for spouse (1 item)	.32**
Children adjust to move (1 item)	.05
Perceptions of new job (6 items, alpha = .94)	.46***
Perceptions of new location (2 items, alpha = .79)	.25**
Employee Attitudes Toward Work	
Job involvement (6 items, alpha = .83)	.21*
Organizational commitment (8 items, alpha = .87)	.19
Employee's attitude toward the move ^b (1 item)	.28**
Company Relocation Policies (2 items, alpha = .59)	.09

^aDecision coded 0 if declined relocation and 1 if relocated.

^bItem reverse scored such that higher scores indicate more positive attitudes.

* $p \leq .10$

** $p \leq .05$

*** $p \leq .01$

Table 4

Regression Results Predicting the Relocation Decision

Independent Variable	Standardized Regression Coefficient
Community Tenure	-.24**
Perceptions of new job	.40***
Employee's attitude toward the move	.29**

** $p \leq .05$

*** $p \leq .01$

Note. The R-square for this regression equation was .34, $F(3, 53) = 9.133$, $p \leq .0001$; adjusted R-square was .30.